

Technical Advisory Committee Discussion related to Certificate of Need, ESSHB 1688

December 13, 2005, Committee Meeting

Recommendations for Consideration by CON Task Force

Preamble:

Given that:

- Health care costs are rising at rates substantially above the annual national rate of inflation;
- Complexity and variation in the health care delivery system prevent market forces alone from controlling health care costs;
- The current structure of the health care delivery system distances the financial burden from the recipients;
- Increasing numbers of citizens are unable to pay for necessary health care, being uninsured, underinsured or not eligible for publicly funded programs such as Medicaid and Medicare;
- Published research supports the existence of a relationship between quality of health care outcomes and volume for the practitioner and providers of selected services; and
- Geography, traffic, and population concentrations create barriers to access.

I. **Recommendation** related to Statutory Section 3(2)(a):

(service and facility specific policies deferred to future TAC meeting)

II. **Recommendation** related to Statutory Section 3(2)(b):

“A review of the **purpose** and **goals** of the current certificate of need program, including the relationship between the supply of health services and health care outcomes and expenditures in Washington state.”

Purpose:

Be it resolved that:

The certificate of need program shall be one element contributing to the Washington public policy goal of providing for all its citizens reasonable access to quality health care, at a reasonable cost, while contributing to the optimization of the health status of its citizenry.

Goals:

- Integrate the CON program/process into the overall Washington state health policy implementation process;
- Optimize access to care and services via the appropriate distribution of specified health care facilities and services as defined in Washington State health policy;
- Foster cost containment by:
 - maximizing the use of specified health care facilities and services which represent the least costly and most appropriate levels of care, and
 - minimizing the unnecessary duplication of health care facilities and services;
- Utilize evidence-based information, where applicable and appropriate, in making decisions;
- Recognize and play a sentinel role in efforts to assure the availability of services from stable, high-quality providers for all its' citizenry;

- Establish a monitoring process for the specified services related to quality, access and scope of services;
- Support a timely, consistent and accountable CON process through an established and stable program infrastructure; and
- Develop and implement adequate enforcements and consequences to ensure compliance.

III. **Recommendation** related to Statutory Section 3(2)(c):
(scope of coverage deferred to future TAC meeting)

IV. **Recommendation** related to Statutory Section 3(2)(d):
 “The **criteria for review** of certificate of need applications, as currently defined in RCW 70.38.115, with the goal of having criteria that are consistent, clear, technically sound, and reflect state law . . . ”

Goals:

- Update and refine the existing four criteria of need, financial feasibility, structure and process of care, and cost containment on an industry specific basis.
- Develop additional criteria, or sub-criteria, related to outcomes with consideration, where applicable, of the Institute of Medicine (IOM) *Quality Initiative* aims that health care be safe, effective, patient-centered, timely, efficient and equitable.

V. **Recommendation** related to Statutory Section 3(2)(e):
(timeliness and consistency of certificate of need reviews and decisions deferred to receipt of '05 JLARC report)

VI. **Recommendation** related to Statutory Section 3(2)(f):
(mechanisms to monitor ongoing compliance deferred to future TAC meeting)

Additional Recommendations for Consideration:

- A. A state owner of health care policy and planning needs to be identified. The plan needs to be clearly articulated, with accountability for maintaining a relevant process utilizing specific criteria for the health outcomes of its citizens with the focus on quality, access and cost containment.
- B. A consistent and responsive data system for the specified health care facilities and services impacted by the CON program process needs to be established.